

State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 14, 2009

Dexter L. Anderson Red Dome, Inc. 730 North 3900 West Fillmore, Utah 84631

Subject: Request for Information Regarding Amendment Denial, Red Dome Inc., Red Dome

Mine, M/027/0032, Millard County, Utah

Dear Mr. Anderson:

I am in receipt of your letter dated October 22, 2009, concerning the denial of your June 22, 2009 amendment. Your letter stated you do not have a copy of the Division's January 31, 2007, letter, so I am enclosing a copy.

Although the Division issued tentative approval of the mine plan, it never issued final approval because the mine plan was considered deficient. You were allowed to operate within the existing 53-acre disturbed area and within the requirements of the operational and reclamation practices in rules R647-4-107 and R647-4-111.

Please note the statement at the bottom of the first page of the enclosed letter: "If in the future, you wish to modify your operations you will be required to get a mining and reclamation plan approved prior to implementing the modification." The Division's denial of your amendment proposal is based on this statement and the lack of an approved plan for the Red Dome mine.

We would still like to continue working with you to finalize approval of the LMO, and this would allow us to review the recent amendment proposal. Please submit a complete response to the comments that were sent to you about July 25, 2006.

Your letter of October 22, 2009, says if there was an objection filed or if the Division took action resulting in the January 31, 2007, letter that you would request that Red Dome be advised with an opportunity to be heard. The reason for the Division's January 31, 2007, is explained above: the plan was considered deficient, and the remedy is to submit a complete plan.

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If you desire to have an informal conference concerning this matter, please submit a written request to Vickie Southwick at the address shown on this letter. You may also request a formal hearing before the Board of Oil, Gas and Mining.

Please call me at 801-538-5261 if you have any questions in this regard.

Sincerely,

Paul B. Baker

Minerals Program Manager

Mine Permit Number Mozz/0032 Mine Name Red Dome Mine Operator Red Dome Inc Date Sent Jan 31 2007 TO _____ FROM CONFIDENTIAL BOND CLOSURE LARGE MAPS EXPANDABLE MULTIPUL DOCUMENT TRACKING SHEET __NEW APPROVED NOI __AMENDMENT _OTHER_____ Description YEAR-Record Number __Incoming \times Outgoing Internal Superceded APPROVAL LETTER 2007 - 0001 Incoming Outgoing Internal Superceded NOI NOI Incoming Outgoing Internal Superceded __NOI __Incoming __Outgoing __Internal __Superceded __TEXT/ 81/2 X 11 MAP PAGES ___11 X 17 MAPS __LARGE MAP COMMENTS: CC: _____

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Mining